

Collection scam targets public servants overpaid by Phoenix, ministry warns

Fraudsters could call posing as collection agency, Public Services says

By Katie Simpson, [CBC News](#) Posted: Dec 01, 2016 5:26 PM ET Last Updated: Dec 01, 2016 5:26 PM ET

Fraudsters appear to be trying to cash in on the government's troubled payroll system.

Federal public servants are being warned about a potential phone scam targeting employees who have pay problems because of the government's malfunctioning Phoenix pay system.

More than 80,000 government workers have been underpaid, overpaid, or not paid at all since Ottawa implemented the Phoenix payment program earlier this year.

"Public Services and Procurement Canada (PSPC) was informed that employees have been receiving calls from an alleged recovery agency about reimbursing overpayments," said Nicolas Boucher, a spokesperson for the ministry said in a statement.

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"These individuals claim to be working with the Phoenix team and are looking to recover overpayments made to employees."

But Public Services says the government is not using a collection agency to recover erroneous pay.

"If you receive a suspicious call from an agency claiming that you need to repay an overpayment, do not provide personal information such as your address, credit card or bank account number and do not make payment arrangements with this agency," Boucher said.

Public servants are being told to call police and report suspicious behaviour to their managers and the Canadian Anti-Fraud Centre.

The department says it is aware of one employee getting a suspicious call, and as a result, "took immediate action to notify employees to alert them of the potential fraud."

Legitimate repayments accepted

For the thousands of workers who have been overpaid, Public Services has set up a process to voluntarily reimburse the government.

Public Services is under pressure to resolve all outstanding pay issues before Dec. 31 in an effort to minimize tax problems for workers and is encouraging staff to make any necessary repayments by the same date so they, too, can avoid tax complications.

The department had promised to clear a backlog of more than 82,000 cases by Oct. 31, but has missed its self-imposed deadline.

At last check, 15,000 workers with complex pay problems are still waiting to have them resolved.

That backlog figure only includes employees who formally complained before July 1. The government is not saying how many employees have come forward with problems since that date.

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